

## Back to Weber: Corporatism and Patrimonialism in the Seventies<sup>1</sup>

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### A New Old Problem

New problems often bring old answers, and this is all the more true when the problems are not as new as they seemed at first glance. This is certainly the case for today's strong, centralized political regimes in Latin America and the rediscovery of corporatism and patrimonialism as conceptual keys to their understanding.

For about twenty years after the Second World War, representative democracy seemed to bloom in Latin America, in spite of a few stubborn spots. In the late fifties, Juscelino Kubitschek dreamed of a new Marshall Plan for Latin America and launched his *Operação Panamericana*, followed later by John Kennedy's Alliance for Progress. The Latin American Free Trade Association seemed to be in the making; there was hope for democracy, development and integration. This was a time of promise not only for Latin America, of course. The old European empires were disappearing and giving birth to dozens of young new nations in Africa and Asia. In academia, Rostowian theories of continuous development emerged at several levels; David Lerner, Karl Deutsch, Gino Germani, and Gabriel Almond all taught us how societies develop from tradition to modernity, from isolation to communication, from reduced to expanded political participation, from political underdevelopment to political maturity, from national isolationism to international integration<sup>2</sup>.

Now in the seventies it is as if all this has started to crumble: Democracies have given way to dictatorships, participation to repression, economic development to stagnation, integration to new forms of isolation. As democratic regimes fell one after another throughout Africa and Latin America, so did the theories of continuous progress and well-being that were used to explain and predict the future of these countries. It is important to notice that these theories had certainly been challenged all along by counter theories which denied the idea of a continuous and well-integrated process of progress and change. But both evolutionary

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<sup>1</sup> This is a revised version of a paper presented to the Conference on Authoritarianism and Corporatism held at the University of Pittsburgh in April 1974, which I attended with support from the Ford Foundation. I am grateful for the comments and profound criticisms of Peter McDonough, Helen E. Douglass, and Fernando Uricoechea. They bear no responsibility for this text, however, since I could not incorporate their comments as fully as they deserved.

<sup>2</sup> See Dean C. Tipps, "Modernization Theory and the Study of National Societies: A Critical Perspective," *Comparative Studies in Society and History*, 15, 2 (March 1973): 199-226 for a comprehensive ideological and conceptual criticism of the modernization theories. An earlier important reference is Reinhard Bendix, "Tradition and Modernity Reconsidered," *Comparative Studies in Society and History*, 9, 3:292-346.

and revolutionary theorists shared optimism, a belief in historical progress and the future well-being of mankind and every one of its nations. Revolutionary theorists, of course, would deny the notion of political development as a progressive increase in political institutionalization; instead, they would think in terms of increasing class awareness and class conflict. For a while, the failure of the democratic regimes in the new world seemed to give credibility to the theories of conflictive and revolutionary development. But slowly it became clear that the new authoritarian regimes were more stable than expected, and that the closing of the political arena usually meant, not a corresponding increase in political conflict and radicalization, but an overall reduction of political participation and political concern.

In short, the new problem faced by social and political theorists is the failure of the Latin American countries to comply with the evolutionary pattern of Western Europe<sup>3</sup>, either attaining their type of bargaining democracy or creating the socialist and revolutionary regimes that one would "naturally" have expected in Europe if the growing demands of the working class had not been met. This is, of course, an old question-How and in what sense is Latin America different from Europe and the United States?

Corporatism and patrimonialism, sometimes apart and sometimes together, seem to be good, old, solid answers to this old question. When properly used, these terms can help to free the political analyzes of Latin America from the bias produced by the Western European and North American experience, and at the same time lead to the recovery of a well-established tradition of historical analysis overshadowed for some time by the liberal and revolutionary optimistic tradition. Improperly used, however, they can have precisely the opposite effect: to increase ethnocentrism and bias and bring us back to the same mistakes and misunderstandings which helped to put these concepts in the limbo of social thought for so long.

Essentially, the difference between the proper and the improper use of these concepts lies in whether they are applied to a structural feature of these societies and its process or, on the contrary, to a more or less fixed cultural or historical trait or character and its permanence. A common criticism of modernization theories is that they tended to imply a very simplified model of unidirectional change, from tradition to modernity, or a dichotomous view of societies, according to the classic distinction between "community" and "society." Valid as this criticism may be, one should notice that the use of concepts like "patrimonialism" or "corporatism" could mean the substitution of a continuum or a dichotomy, that is, a variable, for a single and static concept, that is, a constant.

Returning to a founding father of the social sciences such as Max Weber has great advantages and some pitfalls. The main advantages are probably that it helps us to recover a broad conceptual frame in which our discussion belongs, or should belong, and also that it links us with a solid and well-proved intellectual tradition. The main danger is that it can lead us very rapidly into an endless debate about the "proper" understanding and interpretation of the author's concepts and ideas, which may turn a concern with theoretical relevance into a task of literary exegesis. In this chapter, I will be presenting a very personal

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<sup>3</sup> It would be difficult to pinpoint what is meant here by "Western Europe"; it would exclude, for instance, the Iberian countries and Greece, as well as Italy; it would certainly include England.

interpretation of Weber which is not necessarily the "correct" one, but which can nevertheless help to point the way through the present problems of political change in the non-western context.

### Corporatism

In a recent paper, James M. Malloy gave a comprehensive description of what he calls "corporatist theory," or the corporatist's prescription for the organization of society (in this sense, I would rather call it "corporatist ideology")<sup>4</sup>. The picture that emerges from his description is the ideal of a harmonious well-regulated, non-conflictive society, based on moral principles and well-defined norms which are issued and maintained by the public authority, the state. According to this ideology, there should be some intragroup autonomy and self-regulation, but the very existence of groups and their relationships with each other are granted and regulated by the state. A corporatist state can be more or less authoritarian in the sense that these grants of autonomy and the regulation of inter and intragroup activities can be more or less strict; but it is the state that legitimates and enfranchises group and individual participation in public affairs. This is exactly the opposite of the ideology that stems from the Western European tradition, in which society and its groups legitimate the power of the state.

Thus, the difference between the Western and the corporatist tradition seems at first to belong to the cultural or ideological realm, as alternative sources of legitimation for the exercise of political power and political participation. Since Max Weber, at least, we have known that the source of legitimation of a power relationship is very important when one is interested in the motivations, values, ideologies, organizational projects, and everything else related to this basic normative component. However, it is reasonable to assume that a given type of legitimation does not happen by chance, but tends to emerge in relatively well-defined contexts and historical circumstances. Consideration of these structural contexts and historical circumstances allows us to move from the phenomenology of political ideology to theories that try to establish causal relationships of some kind. There is thus an empirical proposition that gives the foundation and explains the different types of legitimation of political activities in the two contexts. Broadly, this proposition says that in corporatist regimes, the state is stronger than civil society; while in Western European, non-corporative regimes, civil society is stronger than the state.

To say that the state is "stronger than society" is to say that the group which controls the state apparatus is able to impose its will upon other, private sectors of society, thanks to its control of extractive resources, military manpower, or communication networks. This strength is bound to have consequences at several levels: first, in the allocation of scarce resources; second, in the decisions about who can and cannot participate in political decisions; and finally, in the very ideology which gives the central government the right to grant legitimacy to actors in the political arena.

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<sup>4</sup> James M. Malloy, "Authoritarianism. Corporatism and Mobilization in Peru," in *The New Corporatism Social-Political Structures in the Iberian World*, ed Frederick B. Pike and Thomas Stritch (Notre Dame, University of Notre Dame Press, 1974), pp. 52-84. See also in this same volume, the important article by Philippe C. Schmitter "Still the Century of Corporatism?", pp. 85-131, which only came to my attention after the completion of this text.

The type of corporatism we have been discussing does not encompass all the possible connotations of the term, which often implies the notion of autonomous, self-contained, and strongly institutionalized professional groups, the "corporations." The relative autonomy of the corporations is certainly one of the central issues in understanding this kind of regime, but it will be left aside for the moment. However, it is important to remember that, as Malloy puts it,

in the corporatist scheme the principle is that groups are to be relatively autonomous in intra-group decisions but the groups exist by virtue of recognition and to that extent are dependent on the state. If they have semi sovereign qualities in their spheres, it is because the state confers them upon them and then assumes the role of regulating inter-group relations<sup>5</sup>.

When this relationship of superordination is established in principle, we are talking about an ideology, a "scheme" or a "theory" in the sense of an ideal type. What is more important, however, is to establish if and to what extent this is an empirical fact in a given context, and then try to see if it has the consequences that one would expect from the conceptual model.

If we assume that this is the case for a great number of Latin American countries, including Mexico, Peru, and Brazil, the next problem is to determine whether the distinction between "the state" and "civil society" really has any meaning, and to evaluate whether the state is really "stronger" than society. This is where the concept of patrimonialism enters the picture.

It is useful to summarize what we already know about corporatism before moving to the next concept.

First, "corporatism" refers to the way social groups are organized and relate to each other and to the state. The expression belongs to the same group of concepts as "interest-group politics," class-oriented politics, and so on. In other words, it refers to a mode of political participation. It should be distinguished from concepts like patrimonialism or bureaucratic centralism, which refer to the way power is distributed and used in society (concepts of the same level are, for instance, feudalism, poliarchy, plutocracy).

Second, there are four important components in the concept of corporatism (1) the rights of association and public action performed by the corporations tend to be granted by the state; (2) corporations tend to enjoy a fairly high degree of autonomy in internal matters; (3) the boundaries between corporations tend to be sharply defined and difficult to cross; and (4) corporations tend to be defined in terms of functional (professional) status dimensions, rather than according to geographical or ethnic dimensions, as in the status or caste-like systems.

Third, empirically, contemporary corporatist systems tend to emerge in contexts of strong, centralized politically dominant state structures, of a bureaucratic-patrimonial kind. These structures are in themselves organized along corporatist lines, which use the state apparatus as their property, their patrimony.

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<sup>5</sup> Malloy, "Authoritarianism, Corporatism, and Mobilization," p 58.

I believe that this gives a fairly good picture of what corporatism is about, but a number of important questions are left open. These include the question of the emergence and permanence of corporatist like systems of political participation and their relationship with the better-known class-like or interest-group systems. This is where consideration of the Weberian concept of patrimonialism and the discussion related to it becomes central

### **Patrimonialism: Concepts**

To Weber, patrimonialism was a type of traditional domination, and this often leads those who try to apply this concept to contemporary non-Western countries right back into the traditional-modern dichotomy. I would contend, however, that the "traditional" aspect is not what is more important in Weber's conceptualization. Let us see how Weber himself put it:

The roots of patriarchal domination grow out of the master's authority over his household. Such personal authority has in common with impersonally oriented bureaucratic domination stability and an "everyday character." Moreover, both ultimately find their inner support in the subjects' compliance with the norms. But under bureaucratic domination these norms are established rationally, appeal to the sense of abstract legality, and presuppose technical training; under patriarchal domination the norms derive from tradition; the belief in the inviolability of that which has existed from time out of mind<sup>6</sup>.

Later on, he talks about patrimonial political structures:

We shall speak of a *patrimonial state* when the prince organizes his political power over extra-patrimonial areas and political subjects - which is not discretionary and not enforced by physical coercion - just like the exercise of his patriarchal power. The majority of all great continental empires had a fairly strong patrimonial character until and even after the beginning of modern times<sup>7</sup>.

Finally, he distinguishes patrimonialism from the other type of traditional domination, feudalism:

The structure of feudal relationships can be contrasted with the wide realm of discretion and the related instability of power positions under pure patrimonialism. Occidental feudalism (*Lehensfeudalität*) is a marginal case of patrimonialism that tends towards stereotyped and fixed relationships between lord and vassal. As the household with its patriarchal domestic communism evolves, in the age of the capitalist bourgeoisie, into the associated enterprise based on contract and specified individual rights, so the large patrimonial estate leads to the equally contractual allegiance of the feudatory relationship in the age of knightly militarism<sup>8</sup>.

Besides "discretion" and "instability," there is another important difference between the two forms of traditional domination, which is related to how power is exerted:

In the association of "estates," the lord rules with the aid of an autonomous "aristocracy" and hence shares its domination with it; the lord who personally administers is supported either by members of his household or by

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<sup>6</sup> Max Weber, *Economy and Society* (New York: Bedminster Press, 1968), p. 1007.

<sup>7</sup> Ibid. p. 1013.

<sup>8</sup> Ibid, p. 1070.

plebeians. These are propertyless strata having no social honor of their own; materially, they are completely chained to him and are not backed up by any competing power of their own. All forms of patriarchal and patrimonial domination, Sultanist despotism, and bureaucratic states belong to this latter type. The bureaucratic state order is especially important; in its most rational development, it is precisely characteristic of the modern state<sup>9</sup>.

There are a number of theoretical clues to be followed from these passages. Let us consider legitimation versus discretion, absolute power versus contract, traditional versus modern patterns of dominance, the problems of rationality, and the possible outgrowths of traditional patrimonialism. Several of these alternatives overlap, but discussing them will help us to approach some very essential questions of contemporary political theory.

### *Legitimation and Discretion*

While in the second quotation Weber speaks of patrimonialism as a form of domination "which is not discretionary and is not enforced by physical coercion," in the third he mentions the "realm of discretion and the related instability of power positions under pure patrimonialism." Are these contradictory?

By definition, patrimonial power includes an element of tradition (which makes it a type of traditional domination) and an element of discretion, which has at least two components. First, it may just be part of the tradition that the ruler can rule as he pleases. But, second, what differentiates the feudal from the patrimonial ruler is that the latter exerts unchecked leadership, while the first rules only within the limits defined by the independent powers of the estates, as suggested in the fourth quotation from Weber.

Discretion is thus a necessary component of patrimonialism, but its amount and what it means in terms of power instability and the need for physical coercion are empirical matters which depend on historical circumstances. It might be argued that the difference between the second and the third quotation has to do with the fact that in the second Weber is talking about the patrimonial *state*, while in the third he is talking about pre-political forms of domination. In the *patrimonial state*, political power would be exerted upon *extra-patrimonial* areas, upon subjects who would retain relatively high levels of independence and autonomy. An element of contract would thus exist between the center of patrimonial power and its political subjects, in a way which is quite similar to the feudal type of political domination. It is difficult to understand how such a political arrangement could still be called "patrimonial," if it is essentially based on non-patrimonial relationships. On the other hand, it is reasonably easy to conceive of the existence of large, territorially based political systems with very limited autonomy for political subjects - a truly patrimonial state with great leeway for discretion based on physical coercion or legitimacy. It is precisely the existence of these political systems that makes the rediscovery of patrimonialism so important.

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<sup>9</sup> Max Weber, "Politics as a Vocation," in *From Max Weber: Essays in Sociology*, ed. H. H. Gerth and C. W. Mills (New York: Oxford University Press, 1958), p. 82.

We seem to be facing, if not a contradiction, at least a serious theoretical difficulty. As a matter of facts, if the third quotation stands for Weber's ideas, two possible developments may arise from primitive patrimonialism. It may evolve into "the associated enterprise based on contract and specified social rights," that is, capitalism and rational-legal political domination. Or it may evolve into traditional patrimonialism, which later breaks into a myriad of feudal relationships, which can in turn evolve into the modern, capitalist state. *There is no place, in this perspective, for understanding the origins and social basis of modern, bureaucratic domination.* As we shall see later, the Weberian concern with the increase and spread of bureaucratic power stemmed from an analysis of the degradation of the rational-legal, "bourgeois" political regimes. It thus becomes extremely difficult to understand, in this perspective, the modern, bureaucratized political regimes which did not pass through the phases of advanced capitalism and rational-legal political domination.

#### *Pure Power Versus Contract*

The line of continuity that Weber traces between patrimonial and bureaucratic domination (which leads him to speak, sometimes, of "bureaucratic patrimonialism") should be seen in contrast with the similarities between capitalism and feudalism. What the first two have in common is that they are both cases of unquestionable power, even if organized and maintained by entirely different systems of norms and values. The last two are similar at the opposite end of exactly the same dimension: They are both cases of contractual relationships of relatively autonomous units.

Are the latter more "political" than the former? Only if by "political" we understand necessarily the presence of independent actors in interplay. In this sense a completely totalitarian and absolutist regime would be "apolitical," since it would not have room for a process of political bargaining and conflict. This definition of politics might be useful in some contexts, but it should not be confused with an empirical theory of state formation which relates the creation of large, territorially based states with the emergence of contractual or bargaining politics of some kind. This is sometimes the case, but very often it is not.

#### *Traditional and Modern Patterns*

What joins patrimonialism and feudalism at one end, and capitalism and bureaucratic domination at the other, is the dimension of tradition versus modernity. The Weberian notion of tradition can here be kept to a minimum: "the belief in the everyday routine as an inviolable norm of conduct."<sup>10</sup> At the other extreme, modernity is related with norms based on "the belief in the validity of legal statute and functional competence based on the rationally created rules"<sup>11</sup>. Weber is obviously working with two dimensions, and we may as well place them in a canonic fourfold diagram:

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<sup>10</sup> Weber, "The Social Psychology of the World Religions " in *Essays*, p 296.

<sup>11</sup> Weber, "Politics as a Vocation", in *Essays*, p. 79.

Weber's Typology of Political Domination:			
		Power Relationship	
		Absolute	Contractual
Normative System	Traditional	Patrimonialism	Feudalism
	Modern	Bureaucratic Domination	Legal-Rational Domination

### *Modernity and Contract*

The Weberian characterization of rational-legal political domination is too well known to be repeated here. What is important in this context is less its definition than the explanation of its origin. A couple of quotations taken more or less at random from Weber make his perspective clear:

Bureaucratic organization has usually come into power on the basis of a leveling of economic and social differences. . . . Bureaucracy inevitably accompanies modern *mass democracy*, in contrast to the self-government of small homogeneous units. This results from its characteristic principle: the abstract regularity of the exercise of authority, which is a result of the demand for "equality before the law" in the personal and functional sense - hence, of the horror of "privilege," and the principled rejection of doing business "from case to case."<sup>12</sup>

Just as the Italians and after them the English masterly developed the modern capitalist forms of economic organization, so the Byzantines, later the Italians, then the territorial states of the absolute age, the French revolutionary centralization and finally, surpassing all of them, the Germans perfected the rational, functional and specialized bureaucratic organization of all forms of domination from factory to army and public administration. For the time being the Germans have been outdone only in the techniques of party organization, specially by the Americans<sup>13</sup>.

The basic problem seems to be the following: How essential to the Weberian notion of a modern (that is, a "rational, functional and specialized") bureaucratic organization is the presence of an underlying social contract?

One could continue for a long while tracking Weber's ideas on this. Basically, it seems that modern bureaucratic domination emerges as an outcome of two conflicting forces: increasing centralization of power and increasing mass participation in politics. In his analysis of Weber 's theories on the emergence of legal rationality, Reinhard Bendix shows that "in Western Europe patrimonial power eventually promoted the formal rationality of law and administration, and this conflicts with the tendency of patrimonial rulers to promote substantive justice and personal favoritism"<sup>14</sup>.

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<sup>12</sup> Weber, *Economy and Society*, p 983

<sup>13</sup> Ibid, p. 1400

<sup>14</sup> Reinhard Bendix, *Max Weber An Intellectual Portrait* (New York Doubleday, 1962), p.405. This is a kind of historical analysis that some will find surprising the supposedly "a-historical" Weber I am intentionally leaving aside



This is explained as, among other things, a consequence of the central government's need to restrain the power pretensions of vassals and officeholders. This was done by establishing a "centrally-controlled officialdom," and "in the struggle against the entrenched position of the state, patrimonial rulers were frequently supported by the rising bourgeoisie."<sup>15</sup>

Modern rational-legal political domination is thus a child of Western European patrimonialism and an emergent bourgeoisie; it is mostly contractual, it is very efficient, and most suited to modern capitalism.

What about modern, rational domination, without the contractual component? We should refer here to the Weberian distinction between formal and substantive rationality. Formal rationality is tantamount to legal rationality, in the sense that a set of rules, or "laws," defines what should and should not be done by a bureaucrat in a given circumstance. In a broader sense, these rules are a way of implementing the social contract that limits the arbitrary power of the officeholders: "'Equality before the law' and the demand for legal guarantees against arbitrariness demand a formal and rational 'objectivity' of administration, as opposed to the personally free discretion flowing from the 'grace' of the old patrimonial domination."<sup>16</sup>

So, one opposite of formal rationality is "free discretion," which is the old-style patrimonialism; but it has another opposite, which is substantive rationality, a kind of rationality which is concerned with maximizing a given set of goals without any regard for formal rules and regulations. Weber relates the development of this demand for substantive justice to the emergence of public opinion and its instruments, the plebiscitarian democracy so feared by Alexis de Tocqueville. Indeed, the emergence of the "propertyless masses" in public life can endanger a well-functioning political system based on agreed-upon and strictly defined norms of behavior for the civil servants. There is, however, another determinant of substantive rationality which is also indicated by Weber: "raison d'etat" as defined by the holders of political power. The combination of a central government only ruled by its "raison d'etat" and a passive and instrumental "propertyless" mass is the definition of a modern, patrimonial-bureaucratic regime. The combination of the same normless political power with an active and mobilized "propertyless" periphery is what later became known as fascism.

Bendix in effect stresses that Weber was as concerned as de Tocqueville about the totalitarian possibilities of mass democracy and universal bureaucratization, and he could conceive of a future society in which the social contract, as defined by the "right-granting laws," would cease to exist. As Bendix writes, "In such a situation, the entire body of norms consists exclusively of 'regulations... All private interests enjoy

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the usual discussions of Weber's methodology, which often are an obstacle to seeing his substantive contributions to the understanding of society. Those interested in the issues of the relationships between ideal types, historical causation, models of developmental sequence, and the like, I refer to the discussion presented by Bendix in "Tradition and Modernity Reconsidered", pp.314 ff.

<sup>15</sup> Bendix, *Max Weber*, p. 406.

<sup>16</sup> Weber, "Bureaucracy," in *Essays*, p. 220.

protection... only as the obverse aspect of the effectiveness of these regulations... All forms of law become absorbed within 'administration' and become part and parcel of 'government.'" <sup>17</sup>

As rational-legal domination can degenerate into bureaucratic totalitarianism, so is it possible for this type of bureaucracy to subsist with its "rational," but not necessarily its "legal," component. This is, in a word, the theoretical link that is missing, the basis for rationality in the absence of contractualism. Bendix, for instance, does not think that it is possible:

An ideally functioning bureaucracy in [Weber's] sense is the most efficient method of solving large-scale organizational tasks. But this is true only if these tasks involve more or less stable norms and hence the effort to maintain the rule of law and achieve an equitable administration of affairs. These conditions are absent where the tasks are assigned by an omnipotent and revolutionary authority.<sup>18</sup>

In other words, the predominance of substantive over formal rationality would tend to lead from rational-legal to charismatic domination, which is inherently changing and unstable.

We shall see that one could argue with Bendix about the necessity of this reversal to charismatic leadership, as well as the limits of rationality and governmental efficiency and stability in a context of absolute authority. What is certain, however, is that we are not facing a return to traditional power relationships. In this sense, the use of the term "patrimonialism" as applied to modern societies can be very misleading. Indeed, bureaucratic domination seems to be the modern version of traditional, large-scale patrimonialism and this is where the political problems of contemporary developed and underdeveloped countries meet.

#### *Patrimonialism: Processes*

We already have an important theoretical point, namely, that the problems and issues of a modern, underdeveloped, "patrimonialistic" regime should be considered in terms of its system of bureaucratic domination, rather than in terms of some eventually surviving traditional patterns of behavior and values. It is still more important to consider that thinking in terms of patrimonialism and bureaucratic domination does not simply lead to identifying a given structure and its set of problems and alternatives; it should also lead to the explanation of historical processes, an explanation that should be better than those provided by the "modern-traditional" continuum, if it is to stand.

The basic issue in the analyzes of the historical formation and development of patrimonial states is the relationships between central power and the centrifugal tendency of officeholders and private entrepreneurs. Richard M. Morse, who in 1961 was already using the concept of patrimonialism to understand Latin American politics, gives a good summary of the problems a ruler has to cope with in this type of regime:

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<sup>17</sup> Bendix, *Max Weber*, p. 463.

<sup>18</sup> Ibid. p. 467

The patrimonial ruler is ever alert to forestall the growth of an independent landed aristocracy enjoying inherited privileges. He awards benefices, or prebends, as a remuneration for services; income accruing from benefices is an attribute of the office, not of the incumbent as a person. Characteristic ways for maintaining the ruler's authority intact are: limiting the tenure of royal officials, forbidding officials to acquire family and economic ties in their jurisdictions, using inspectors and spies.<sup>19</sup>

This general problem of patrimonial power acquires very precise contours as we look into a specific context. For instance, I have tried to show elsewhere that, in the case of Brazil, it is possible to think of the relationships between the central, patrimonial-bureaucratic regime and the other areas of the country exactly in those terms<sup>20</sup>. What comes out of this analysis is not the simple description of a patrimonial power, but propositions about the relationships between the political center, Rio, and the economic and military "peripheries" (São Paulo and Rio Grande do Sul), and a line of analysis that is proving much more fruitful for the understanding of Brazilian political history than the usual modernization framework could. Some of these propositions deal exactly with the way in which the system of political participation is organized and behaves. We can deal with this question more specifically as we reintroduce the concept of "corporatism."

#### Patrimonialism and Political Participation

Here again it is important to look back to Weber and his distinction between class and status groups. "Class" is used to refer to people who share the same "typical chance for a supply of goods, external living conditions and personal life experiences", in terms of their economic power. "Class situation" is, in this sense, ultimately 'market situation'. And, later on: "In contrast to the purely economically determined 'class situation' we wish to designate as 'status situation' every typical component of the life fate of men that is determined by a specific, positive or negative, social estimation of *honor*... Stratification by status goes hand in hand with a monopolization of ideal and material goods or opportunities."<sup>21</sup>

Both class and status situations, often lead to political participation, which tends to be organized as, political parties. Parties are based on class or status situations, or both. One central issue of contemporary political analysis is the determination of how much of the political action of individuals and parties is determined by status and class situations, and still more important, how much they are aimed at consolidating or destroying the forced inequalities of the market or the privileges of status. The bourgeois political revolution is a movement that breaks the monopolies of goods and opportunities based on ascribed status and puts into its place a stratification system which refers directly to the market. The system of

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<sup>19</sup> Richard M. Morse, "The Heritage of Latin America," in *The Founding of New Societies*, ed. Louis Hartz (New York: Harcourt, Brace & World, Inc., 1961), p.157.

<sup>20</sup> Simon Schwartzman, "Regional Contrasts Within a Continental Scale Nation: Brazil," in *Building States and Nations*, ed. S. Rokkan and S. M. Eisenstadt, vol. 2 (Los Angeles: Sage Publications, 1973); see also Simon Schwartzman, *Sao Paulo e o Estado Nacional* (Sao Paulo: Difusão Européia do Livro, 1975).

<sup>21</sup> Weber, "Politics as a Vocation," in *Essays*, pp. 180-95. See also Bendix, *Max Weber*, pp. 895-87.

political participation is characterized by the unabashed use of power to acquire better market positions and to consolidate them into political "rights" (that is, rights that are enjoyed independently from the market).

In general, there is a sociological axiom that says that positions of privilege, once acquired, tend to be subtracted from the market and transformed into ascribed, status based monopolies; while there is always a tendency to take underprivileged positions out of the status system and put them into the market. A version of this axiom, which is at first glance unrelated to Weber, is E. E. Schattschneider's proposition that "the most important strategy of politics is concerned with the scope of conflict."<sup>22</sup> The tendency of the underdog is to widen the scope of political conflict, bring more actors into the arena, and thus change the power relationships. The top dog, on the contrary, tends to monopolize the arena for those already enfranchised to participate in the conflict. The struggle of monopoly versus open market has to do with both the functional quality of the participants and their sheer number. In the extreme market situation, issues are never kept within functional or professional boundaries, and there is universal enfranchisement. Politics is territorially based; specific issues are translated into broad political questions; and each gets his share according to his economic power and capacity for political maneuvering. At the other extreme, monopoly prevails; power positions are so established that there is little room for conflict; and when conflict occurs, it tends to be circumscribed and privatized by functional groups. This is the typical corporative mode of political organization and participation.

There are thus two ways by which a monopolistic, status based corporatist system can be established. One is through the development of self-sufficient, strongly organized professional groups that are able to impose themselves and their own rules of trade and privilege upon the rest of society. This is the type of corporation one thinks of when one considers the medieval guilds or, today, some particularly strong professional groups. The other way is through grants of social and economic rights and monopolies by the state. Both systems can have the same ideological frame of reference, in terms of an organic integration of functional groups but it makes a big difference whether this integration results from several entrenched status positions or from a powerful and (sometimes) benevolent central state.

Contemporary corporatism tends to be of the second type, and this has had a series of important consequences. First, no contemporary state was really able to develop a full-fledged corporatist system that could take the place of traditional class or interest-group politics in the Western-liberal regimes. I have suggested in another place the term "political co-optation" to describe the dominant side of the system of political participation created in Brazil since the Second World War<sup>23</sup>. One type of political co-optation in Brazil was represented by the Labor party and the bureaucratic structures of the Ministry of Labor and Social Welfare. One could consider this a type of corporatism, since it linked a whole section of society to the state and granted special social and economic rights to the workers, outside the market. But this system

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<sup>22</sup> E. E. Schattschneider, *The Semi-Sovereign People* (New York: Holt, Rinehart and Winston, 1960).

<sup>23</sup> S. Schwartzman, "Representação e cooptação política no Brasil," *Dados* 7 (1970):9-41.

was controlled from above and had little participation from below. Co-optation systems lie midway between corporatism and open, interest-group politics. When they are effective, they tend to reduce political conflict to undisputed monopolies of privilege. By the same token, this type of political structure lacks internal consistency and strength.

Second, and related to the above, is the fact that political life tends to be very dependent upon the state and its central figure. Morse stated this idea very well in two of his five propositions about Latin American political life: "The Latin American peoples still appear willing to alienate, rather than delegate, power to their chosen or accepted leaders... Society is perceived in Latin America as composed of parts which relate through a patrimonial and symbolic center rather than directly to one another<sup>24</sup>."

Lest one think that these are traits of the Latin American political culture (and as such forever established and impossible to change), one should recall that Bendix had made exactly the same point about czarist Russia and communist Germany several years before<sup>25</sup>. "Stateless" England and the United States<sup>26</sup> allowed for open, competitive, and self-regulating class conflict and politics. In contrast, countries with a strong, centralized, patrimonially based structure tend to inhibit the emergence of autonomous political groups, not to allow for established patterns of political conflict through direct bargaining, but, on the contrary, to stimulate bilateral relationships between the central state and social groups of dependency, subordination, and the search for grants of privilege.

Third, corporatism does emerge in contemporary centralized states, *but not quite where one would expect it*. The absence of an arena of political participation, that is, of an open political "market," leads to a widespread search for status privileges throughout society. Corporations are not to be found among privileged economic groups or organized as ostensive political institutions. Rather, corporatist tendencies are to be looked for in the educational system, the multiplication of formally defined professional privileges and prerogatives, and self-serving sections of the civilian and military public bureaucracy. One should again quote Weber:

The development of the diploma from universities, and business and engineering colleges, and the universal clamor for the creation of educational certificates in all fields make for the formation of a privileged stratum in bureaus and in offices. Such certificates support their holder's claims for... a "respectable" remuneration rather than remuneration for work done, claims for assured advancement and old-age insurance, and, above all, claims to monopolize socially and economically advantageous positions<sup>27</sup>.

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<sup>24</sup> Morse, "Heritage of Latin America", pp.173-176.

<sup>25</sup> R. Bendix, *Work and Authority in Industry: Ideologies of Management in the Course of industrialization* (New York: Wiley & Sons, 1956).

<sup>26</sup> For the notion of "stateless" societies, see J. P. Nettl, "The State as a Conceptual Variable," *World Politics*, 20, no.4 (1968):559-92.

<sup>27</sup> Albert O. Hirschman, *Exit, Voice and Loyalty* (Cambridge: Harvard University Press, 1970).

## Democracy, Rationality, and Bureaucratic Patrimonialism

We can conclude with the scenario of the supposedly emerging bureaucratic, patrimonialistic, and corporatist society. Society is sharply divided into well-defined status groups based on functional differentiations, educational credentials, or monopolistic control of property. These status groups tend to be strongly organized along corporatist lines that define their own internal rules of behavior and access, and are structured according to the legal-bureaucratic model. Government belongs to one or two corporations of this kind, the military and the "technocrats." Political activities outside the well-defined rules of inter-corporation behavior are minimal or nonexistent. Is this scenario likely to occur? One can only say that it is well within the range of possibility. Weber himself was very concerned with this problem. As Bendix says, "Universal bureaucratization was for Weber the symbol of a cultural transformation that would affect all phases, of modern society. If this, development ran its, full course it would result in a new despotism more rigid even than the ancient Egyptian dynasties because it would have a technically efficient administration at its disposal."<sup>28</sup> This scenario of a bureaucratic and corporatist nightmare haunts contemporary political science, and it is almost certain that any ingenious suggestion to avoid it would be fallacious. We can finish this discussion, however, with a few perspectives on the relationship between this scenario and the ideals of freedom, democracy, and rationality.

One of the most important conceptual clues to this question is provided by Albert O. Hirschman's *Exit, Voice and Loyalty*<sup>29</sup>. He establishes a link between the freedom of members to influence the behavior of an organization and the level of efficiency on which it operates. There are two ways of acquiring influence: exit, the typical market mechanism by which a customer (or employee, or supporter of a political party) changes allegiance; and voice, the political mechanism of influence and protest. The relationships between voice and exit are complex and are elegantly spelled out by Hirschman. What is important here is that voice is more likely to be used and is more effective when there is no possibility of exit; that is, in situations of economic or organizational monopoly. Without exit or voice - that is, without freedom - centralized bureaucracy cannot work efficiently in the long run and must resort to systems of double government (the administration and the party, or the administration and the security apparatus) or to the expediency of recurring cultural revolutions and declarations of national emergency in order to recover from systematic stagnation and routine.<sup>30</sup>

The alternative to these systems of double government and constant mobilization is the establishment of new forms of self-government and internal democracy in corporations and within the new patrimonial bureaucratic state. It may just be that, in the long run, Weber was right, in that a system of large-scale

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<sup>28</sup> R. Bendix, *Max Weber*, p. 459.

<sup>29</sup> Albert O. Hirschman, *Exit, Voice and Loyalty* (Cambridge: Harvard University Press, 1970).

<sup>30</sup> See especially the sections on "the structures of controls over economic enterprises," "the manipulation of controls over economic enterprises," and "the 'contact with the masses'" of chapter 6 in Bendix's *Work and Authority in Industry* for an analysis of these mechanisms at work in East Germany at a particularly troubled time. "The State as a Conceptual Variable," *World Politics*, 20, no.4 (1968): 559-92.

political domination is inherently unstable if it does not have an underlying contract, right-granting laws, and, accordingly, freedom to participate and to influence and the feelings of dignity and self-respect that accompany the effective exercise of opinion, the right of association, and the achievement of the intended goals.

Thus, the theoretical challenge is to give up the traditional modes of political organization which are apparently limited to an already old fashioned Western European tradition, without giving up the ideals of freedom and individual rights, and in doing so, to combine political concern with theoretical relevance; to help draw a new social contract based on a proper consideration of the political reality of our times, and not on its rejection. As this concern spreads in academia, it may be that corporatism and patrimonialism in their new robes will cease to be simply bad terms to designate an unpleasant situation and become conceptual tools to start dealing with the new monster - before it devours us.